

FINLEY PROPOUNDS TRAFFIC PROBLEM

Shows Its Relation to the
South's Prosperity.

NEEDS DOUBLE TRACK LINES

**Declares Transportation Facilities
Must Earn Fair Returns on Investment
or Go Out of Business—Suggests
Field of Work for Southern
Commercial Congress.**

W. W. Finley, president of the Southern Railway, was introduced as a sick man who wished to get away from the banquet. He gave a very clear and succinct view of the transportation problem in the Southern States in its relation to progress in that section. The address was listened to with great interest throughout. Mr. Finley said:

"Our Southern section is a land rich in natural resources and abounding in opportunity. The splendid record of accomplishment made by its people in building an agricultural, industrial, and commercial empire upon the ruins left by war is an assurance of greater progress yet to come. What has already been accomplished may be regarded as little more than a demonstration of the extent of the resources of Southern soils, mines, and forests, and of the possibilities of diversified industry.

"While doing their full part for the development of their section, the Southern people welcome the efficient and industrious from other sections and from other lands. The man with money to invest and the man seeking profitable employment will each find an abundance of Southern opportunities. In fact, I do not believe that in any other section of our country can a man who is not afraid to work find conditions more favorable for his advancement than in the Southern States.

Co-operation a Necessity.

"It is the mission of the Southern Commercial Congress to voice the call of the South for men of capital and enterprise to aid in the most advantageous utilization of its manifold resources. In my opinion, the success of the organization will depend, in large measure, upon the plan adopted for its work.

"If I may be permitted, I would suggest that its work should be broadly co-operative; that, while avoiding favoring any one community above another, efforts should be made to co-operate with each community for development along the particular line desired by its people.

"There are certain broad lines along which it can work for the advantage of the entire South. It will, of course, aim to supply the most complete and detailed information that can be obtained as to the advantages and resources of each locality. In addition to this, it can properly aid in the development of a sound and constructive public opinion on purely economic problems.

Its Transportation Facilities.

"I believe that the most important economic problem that concerns our section at this time is that of adequacy of transportation facilities. Our farmers and our manufacturers produce commodities far in excess of any possible local consumption. If these are to be sold profitably, they must be moved to markets where they are in demand.

"When production in any locality has reached the limit of the capacity of its carriers further expansion must stop unless there is an increase in carrying capacity. In some localities in the South and for some commodities water transportation can be avoided, and I believe that the Southern Commercial Congress can very properly advocate the improvement of our waterways to the highest possible state of efficiency.

"But even with the improvement of the waterways, by far the greater part of the commerce of the South must continue to move by rail. The question whether the rail facilities are to be capable of handling a materially increased volume of traffic is, therefore, one of vital and immediate importance to every resident of the Southern States.

Difference in Facilities.

"This is a question of particular importance to the Southern States, for the reason that our section, in proportion to its area and its needs, is not so well supplied with railway facilities as are some other parts of the country. The section of the United States south of the Ohio and Potomac rivers and east of the Mississippi contains about 100,000 square miles more territory than the section north of the Ohio and Potomac Rivers and east of Illinois, yet the railway mileage in this smaller Northern section is almost exactly one and one-half times that of the Southeastern States.

"Great as is this difference in the length of railway lines, it by no means measures the real difference in facilities. This is strikingly shown by a comparison of the double track mileage of the two sections.

"On June 30, 1906, the latest date for which complete statistics are available, there were in the Southeastern section but 1,066 miles of double-track railway, and no third or fourth track.

"In the Northern section there were 14,061 miles of double track, 1,612 miles of third track, and 1,144 miles of fourth track. This group of Northern States not only has more than twelve times as much double track, but has more third track and more fourth track than the total double-track mileage of the entire South-east.

"Substantially all the commerce of the South to-day is carried on single track railways, and the extent of this handicap can be realized when it is remembered that the economic efficiency of a double track road is many times that of a single track line. It is impossible to exaggerate the benefit that our section would derive from a steady and substantial annual increase in double track mileage on the most congested parts of its railway systems.

Record of Achievement.

"The men entrusted with the management of the railways of the South have not been unmindful of the need of increased trackage and other improvements. So far as the resources at their command have permitted they have supplied them.

"Comparing the net capitalization of the railways in the territory south of the Potomac and Ohio rivers and east of the Mississippi on June 30, 1906, shows an increase of but 18.9 per cent. This represents the total increase in net capitalization, including equipment obligations and funded indebtedness of all kinds. In the same period there was an increase of 24.7 per cent in railway mileage, while the trackage of all kinds, including second tracks, sidings, passing, and terminal tracks, increased 33.9 per cent.

Locomotive Increase 54.3 Per Cent.

"The number of locomotives in service increased 54.3 per cent, the number of passenger cars increased 31.6 per cent, and the number of freight cars increased 60.9 per cent. These percentages do not

tell the whole story of increased facilities during the ten years. They take no account of the miles of track in which light rails were replaced with heavier rails, of the replacement of wooden bridges and trestles with steel or concrete structures, or of the reduction of grades, elimination of curves, and general improvements of the roadbed.

"They take no account of the extension of lock and signal systems, of the erection of new buildings, and the improvement of old buildings, and the increase in the average capacity of locomotives and freight cars. Taking all these things into consideration, I think this is a creditable record of accomplishment with an increase of less than 19 per cent in net capitalization.

Economic Strength of the South.

"Let us now look to the future. The economic strength of the South lies in the variety and richness of its natural resources and in the agricultural, industrial, and commercial adaptability of its people. There can be profitably produced within its limits all the agricultural and horticultural products of the temperate zone and many of those of the tropics.

"Ever since the invention of the cotton gin the possession of almost a complete monopoly in the production of cotton has been an important factor in Southern agricultural prosperity. The cotton plant produces a fiber that is in world-wide demand. It produces a seed which yields a salad oil of great excellence, a healthful cooking fat, a high-class stock food, and a valuable fertilizer, and from its stalk an excellent quality of paper can be made.

"Under the operation of that economic law which tends to concentrate manufacturing in proximity to supplies of raw materials, the cotton plant is drawing the cotton mill and the cottonseed oil mill to the South.

Tobacco Source of Wealth.

"In many localities tobacco is a source of agricultural wealth and the foundation of a prosperous industry.

"The early fruits and vegetables of the South are in demand in a constantly expanding market.

"The forest resources of the South, which with proper management can be made a source of permanent wealth, are attracting wood-working industries of all kinds.

"The hydro-electric engineer is converting the force of Southern streams into power and distributing it to points where it can be utilized to the best economic advantage.

"Iron ore, coal, and limestone, in close proximity, are building up a great iron and steel industry in the South, which in turn is supplying the raw materials for a large and constantly increasing variety of metal-working industries.

"Southern marble and building stones are going into monumental buildings in the North as well as in the South.

"Clay for the potter and brickmaker, and a wide range of useful and ornamental minerals abound in our section.

"As you know, prior to the beginning of the business depression the increase in traffic of the preceding ten years had taxed the facilities of the railways of the South to the utmost. How are they to handle a still further increase of 35 per cent in passenger travel and of 16 per cent in freight traffic? Is it not apparent that trackage and other facilities must be provided on a large scale, and that additional capital must be attracted to railway investments?

Basis of Investment.

"The desire of each man to better his own condition and to provide for those dependent upon him is the mainspring of human progress. A man is not induced to invest his money in a farm by the philanthropic motive of growing grain to feed his fellow-men, but by the desire of gain. Another is not moved to build a cotton factory by an altruistic desire to clothe mankind, but by the expectation that he can sell cotton goods at a profit.

"Exactly the same expectation of gain leads to investments in railway enterprises. If the money of capitalists, of men and women of moderate means, of savings banks, insurance companies, schools, colleges, and charitable institutions is to be employed in the great work of providing highways for the commerce of the nation, investors must have reason to believe that their capital will be safe and that it will earn approximately the same rate of profit as if invested in other enterprises.

Results of Railway Prosperity.

"On account of the dependence of every kind of business upon adequate transportation facilities, and on account of the importance of railway wage-paying as a purchasing power as a factor in general prosperity, not only the owners of the railways, but every individual in the country is directly interested in the maintenance of a proper margin of profit as the result of railway operation.

"The fund from which railway operating expenses, taxes, fixed charges, and dividends must be drawn is that provided by charges for transportation service. The volume of business done by the railways is so large in the aggregate that a very small difference in the unit charge for service—a fraction of a cent per passenger mile or a fraction of a mill per ton mile—may mean prosperity or bankruptcy.

"The margin between an average unit charge that means bankruptcy or bare existence and one that means fair profits and ability to provide improved service is so small as to be insignificant to the average individual, as compared with the benefits he derives from railway prosperity.

"What does a difference of a few cents in the freight on the clothes a man wears amount to if he can find employment in railway construction or operation, or in a car shop, locomotive works, or in one of the many other industries engaged in the production of the long list of commodities bought by railways?

"What does a slight difference in freight charges on the goods handled by a retailer or jobber amount to if the purchasing power of the vast individual army dependent directly and indirectly on railway prosperity is sustained by steady employment at good wages?

"These are economic problems. Upon their successful solution depends the prosperity not only of the carriers, but of the country. They can be successfully solved only in the light of an intelligent and constructive public opinion.

Field of Work for S. C. C.

"It is in the field of disseminating information as to the South and its resources, and of forming public opinion as to those economic policies which are essential to the highest degree of prosperity that the Southern Commercial Congress may work most efficiently.

"It gives me much pleasure to participate in this testimonial dinner to the president of this organization. I have had the privilege of knowing Mr. Parker for many years. He typifies to an unusual degree the energy and enterprise of the progressive South. He has ever been a leader in the upbuilding of his city and his section.

"I am confident that under his able leadership, and animated by his progressive spirit, the Southern Commercial Congress will be an important factor in bringing our people together in mutually helpful co-operation for advancing the prosperity of the South and of the nation."

MEMBERS OF THE WASHINGTON ADVISORY COMMITTEE.

J.H. SMALL, PRESIDENT
BOARD OF TRADE.

LUKE E. WRIGHT,
EX-SECRETARY OF WAR.

W.W. FINLEY, PRESIDENT
SOUTHERN RAILWAY.

CHAS. A. DOUGLAS,
ATTORNEY.

S.W. WOODWARD OF
WOODWARD AND LOTHROP.

WM F. GUIDE, PRESIDENT OF
CHAMBER OF COMMERCE.

ALEXANDER MENELL,
ATTORNEY.

SAMUEL W. MECK,
BUS. MGR. WASHINGTON HERALD.

CHAS. H. TREAT, TREASURER
OF THE UNITED STATES.

CUNO H. RUDOLPH,
VICE-PRES. METROPOLITAN
NATIONAL BANK.

GIFFORD PINCHOT
CHIEF FORESTER.

VERY PROUD OF THE SOUTH

Mayor of Baltimore Approves Plan
of Development.

Would Hold Congresses and Spread
Facts Broadly to All
the World.

Representing as I do the thriving metropolis of the great and growing South, it is natural for me to favor any enterprise which will give additional impetus to the forward movement of that important section.

Baltimore is proud of the South in the same way that the South is properly proud of Baltimore. For that reason our people are only too glad to enlist in any undertaking that means the development and exploitation of the richest portion of our country.

The record of the past eighteen years is what gives to us the greatest encouragement for future action. The record almost reads like a miracle, especially so when we think of the handicaps under which the South has labored since the days of the war. When we pause to think that the property values in the South have increased from \$7,000,000,000 to \$20,000,000,000—nearly 300 per cent—we can gather some idea of the rapid progress with which our people are advancing.

The increasing importance of the South is furthermore demonstrated by the growth in population during the same period from 15,309,569 to 26,834,706. This population at the same time is developing an active and effective type of enterprise. This is proved by the increase in the value of manufactures from \$257,000,000 to \$2,100,000,000. The increase in the value of cotton mills alone has been from \$21,000,000 to \$250,000,000.

All of the above represents but the beginning of the South's possibilities. It must not be forgotten that at present fully 31.3 per cent of the South's farming lands are unimproved. There is an area in the South capable of being drained and converted into available land which alone is equal to one-half of the entire New England States. It can readily be fancied, then, what the results in the future will be when the population per square mile in the South increases from its present figure of 31 to that of the State of Illinois, which is 92. That would give the South a total population of over 40,000,000.

In view of all this vast, immeasurable, undeveloped opportunity in the South, it is both logical and praiseworthy that the Southern Commercial Congress should be regularly held. Such organizations are bound to attract world-wide attention, and by so doing aid greatly to the early and rapid development of that section. Baltimore knows the South's possibilities, and Baltimore is ready to move than do any other city in the work of lifting the South to her proper level of commercial importance. J. BARRY MAHOL, Mayor, Baltimore, Md.

Good Words from Florida.
Florida wishes the Southern Commercial Congress unbounded success.
J. G. CHRISTOPHER, Jacksonville, Fla.

A. E. TATE,
Vice President for North Carolina.

FRANK P. GLASS,
Vice President for Alabama.

Washington business men who are affiliated with Southern Commercial Congress and vitally concerned in the development of the natural resources of the section.

SENDS A CHECK FOR \$1,000 SOUTH MUCH MISUNDERSTOOD COTTON IS NO LONGER KING

St. Louis Merchant Responds to
Call for Subscriptions.

Believes Good Results Will Follow
Working Out of Plans of
the Organization.

I have been out of the city so much recently that I have been unable to respond to your recent call in behalf of the Southern Commercial Congress.

I inclose with this my check for \$1,000 for membership in the organization, and do so because of my great confidence in the good results to be obtained by the Southern Commercial Congress.

The plan outlined by the board of directors will, in my opinion, do more to develop the South and to bring to the notice of the world its wonderful resources and the unequalled opportunity for attractive investment of capital than any other plan I can think of.

Every firm that does business in the South, regardless of where that firm may be located, should take an active interest in the work you are doing and give it hearty support.

The people of the South always have been, and always will be, loyal to their friends, and I should not hesitate to recommend participating in this organization as a good investment if it does not appeal from any other standpoint.

Simmons Hardware Company has always done its level best to further the interests of the South, and I am glad of this opportunity to give evidence of our willingness to continue that policy in a practical way. G. W. SIMMONS, Vice President, Simmons Hardware Company, St. Louis, Mo.

Atlanta Man in Line.

The great interest felt throughout our country in the objects sought by the Southern Commercial Congress impresses me with confidence in the movement and hope in its success. CLEMENT A. EVANS, Atlanta, Ga.

Has Failed to Master Secret of True
Publicity.

Local Organizations Cannot Hope
to Accomplish Aims of
Commercial Congress.

In a recent letter written by the managing director to the secretary of one of the commercial clubs of the South, these postulates were first laid down:

First—The South has little appreciation of its entire commercial position in the history of the United States.

Second—The South is markedly misunderstood in relation to health conditions, educational progress, the employment of children and social order.

Third—The work of individual commercial organizations in the last twenty years has led to much development, but contrasting the present with the past, but little development contrasting the energy and excellence of the effort with the results obtained.

Fourth—The commercial organizations of the South are lacking entirely in the co-operative impulse, because, for instance, the cotton-thought of a city does not realize its oneness with the metal-thought of Birmingham or the shipping-thought of New Orleans in the commercial destiny of the richest section of the United States.

These postulates were not spun out of any impulse toward special pleading, but were statements of facts apparent to every thinker on Southern problems. The conclusion of this portion of the letter used these words:

"Take these four postulates and place before yourself the problem of changing conditions that in their totality are unfavorable to great growth, and what will be your answer? I venture to say that inevitably it will be something similar to the Southern Commercial Congress, call it by whatever name you will."

South's Progress Rests on More
Than One Idea.

Its Development Arrives at Point
Where Its Many Industries
Must Be Encouraged.

In a recent address on Southern commercial interests appeared this significant statement:

"We have been playing with pebbles while the great Southern ocean of opportunity lies unexplored. The future of the South rests not on cotton alone, not on more white people alone, not on technical education alone, not on mineral resources alone, not on coast line alone, but on all of these and many more things together.

"Earlier attempts made to speak for Southern development have failed because they did not speak broadly enough or plan wisely for permanency. Organizations have attempted to deal with one factor—let us say immigration or education—instead of proclaiming the South as a whole and leaving its puissant greatness of resource to fasten the attention of the world. Consequently, any attempt to organize in the line of one interest for the sake of that interest alone, as if it represented the whole South, is foredoomed to failure, because it is lacking sight of the South's total greatness and total need.

"Many failures have dotted the pathway of investors who arrived ultimately at the success of the telegraph, the telephone, wireless telegraphy, and so forth. But when an idea is right and men feel through their inmost beings that they can and therefore they must do a certain thing for the benefit of humanity, they will attempt and they will succeed.

"The Southern Commercial Congress is the exfoliation of all the unexpressed or partly expressed aspirations of our best men toward a greater day."

Praises the Movement.

"Mr. President, you and your distinguished guests have my hearty good wishes in your endeavors, and I bespeak for the enterprise in which you and your associates are engaged the triumph of abundant success and usefulness.

"It occurs to me we should adopt the sentiment of the great commoner, Henry Clay, as expressed in his memorable speech on the Missouri Compromise when he referred to this great country, begged our people to remain with it, and said in closing: 'Let us know no North, no South, no East, no West—the Union, inseparable now and forever.'"

SOUTH WILL HELP ITSELF.

S. C. C. Proposes to Work from
Within Widening Circle.

The Southern Commercial Congress has not a sinister drop of blood in the veins of its effort. It is a movement from within outward. It is a daring realization from within the commercial interests of the South that the days of advertising along the narrow lines of its home towns' interests must be supplemented by virile publicity, representative of the whole South, from Texas to Maryland, and set forth in a manner and with a power never heretofore attempted in the commercial development of the Union.

The facts of the South as a whole, energizing the work of the South in every part, will bring a stupendous growth. This growth will be absolutely safe; for it will be developed from within.

The slowness of the South up to this point by contrast with other portions of the country—New England, for instance—is largely due to the lack of its own comprehension as to its inert resources and their possibilities.

Will Invite Immigration.

The Southland will have no trouble in getting from Europe a good class of immigrants, agricultural or otherwise, when it really needs them, and wants them, and can furnish regular employment to them on their arrival. J. T. BARHAM, President Illinois Central Railroad Company, Chicago, Ill.

SOUTH GROWS FAST

Henry G. Davis Gives Some
Startling Figures.

PRAISES PLANS OF THE S. C. C.

Venerable Citizen of West Virginia
Declares Dixie Has Borne Great
Burden with Fortitude and De-
serves Credit for Work Well Done.
Voices Clay's Approval.

Hon. Henry G. Davis, of West Virginia, spoke upon the vast resources of the South and the likelihood of that portion of the country becoming the center of the greatest industrial activity in future years. He said:

"Less than a century and a half ago our forefathers were subjects of and this country was governed by Great Britain. We are now a great and powerful nation, equal, if not superior, to Great Britain.

"We all know that in 1776, for causes so well stated by Jefferson in the Declaration of Independence, we declared and by war won our independence. Since then we have grown more rapidly in population, wealth, intelligence, and all that goes to make a great nation than any people, ancient or modern, ever did. We have surpassed all history. Then we were three millions of people scattered along the Atlantic coast. At present we have about ninety millions, reaching from the Atlantic to the Pacific, from the Gulf to the Lakes, and, as a people, probably none in the world are so happy and prosperous as those of the United States.

We Are the Greatest Nation.

"We are, perhaps, the greatest nation now upon the globe, and why? It is probably because the people govern the country, and the people are generally right in what they do.

"When the civil war closed this country's national debt was about three billions; to-day it is less than one billion. Nearly two billions of that debt has been paid. In interest upon the debt there has been paid two and one-half billion, and in pensions since the war closed there has been paid three and one-half billions, making the enormous sum of \$8,000,000,000. Who paid it? The whole country, of course, as it should have done. The South has paid its proportion of the expenses of running the government, as well as its proportion of this eight billions of money. How much has it got back, especially in pensions? Not much, not much. And yet you have done your duty as you should have done and as you should continue to do.

Statistics Are Surprising.

"I was somewhat surprised a day or two ago when I obtained from the statistical bureau of the Department of Commerce and Labor the condition of the South as to its prosperity compared with the rest of the country. It shows that the South to-day has about 30 per cent of the population and wealth of the nation, and that is the proportion in which you pay the debt and the amount necessary to run the government. If the figures I have given are correct, the South has paid \$2,000,000,000 since the war, and nearly all of it has gone to Northern and Western portions of the country, certainly very little to the South. And yet it has been cheerfully and properly paid, and you deserve great credit.

"In addition to this, you have taken care of your sick and wounded soldiers, as you should have done. Your country was wasted, your negroes were freed, and yet the statistics show that from 1870 to the present the percentage of increase of wealth in the South has been greater than that of the balance of the country. I have the figures here.

South Rapidly Advances.

"Statistics show that the South since 1870 has gained in wealth 339 per cent; that the remainder of the country has gained 212 per cent. So, you see that, notwithstanding the payment by you of \$2,000,000,000, you have outstripped the balance of the country in the increase of wealth in the last forty years. Gentlemen, go on in the course you have chosen; go on with the work you are doing, and you will reach the results for which you are working.

"Another thing. In miles of railroad constructed in the South the percentage of increase has been 332, while in the rest of the country it was 312. Think of it! The population of the South has gained not quite as much as the balance of the country, but has done very nearly as well. I have here the statistics of the imports and exports of our country, and, to my agreeable surprise, for the last five years the average exports have exceeded the imports by about five hundred millions annually, almost the entire amount of our exports is by way of exports of Southern cotton, viz., \$449,000,000 a year. So you have a country down there which, if it continues to progress and you give it the care and attention you have done, will be perhaps the richest and most prosperous section of the Union.

Praises the Movement.

"Mr. President, you and your distinguished guests have my hearty good wishes in your endeavors, and I bespeak for the enterprise in which you and your associates are engaged the triumph of abundant success and usefulness.

"It occurs to me we should adopt the sentiment of the great commoner, Henry Clay, as expressed in his memorable speech on the Missouri Compromise when he referred to this great country, begged our people to remain with it, and said in closing: 'Let us know no North, no South, no East, no West—the Union, inseparable now and forever.'"

SOUTH WILL HELP ITSELF.

S. C. C. Proposes to Work from
Within Widening Circle.

The Southern Commercial Congress has not a sinister drop of blood in the veins of its effort. It is a movement from within outward. It is a daring realization from within the commercial interests of the South that the days of advertising along the narrow lines of its home towns' interests must be supplemented by virile publicity, representative of the whole South, from Texas to Maryland, and set forth in a manner and with a power never heretofore attempted in the commercial development of the Union.

The facts of the South as a whole, energizing the work of the South in every part, will bring a stupendous growth. This growth will be absolutely safe; for it will be developed from within.

The slowness of the South up to this point by contrast with other portions of the country—New England, for instance—is largely due to the lack of its own comprehension as to its inert resources and their possibilities.

Will Invite Immigration.

The Southland will have no trouble in getting from Europe a good class of immigrants, agricultural or otherwise, when it really needs them, and wants them, and can furnish regular employment to them on their arrival. J. T. BARHAM, President Illinois Central Railroad Company, Chicago, Ill.

PHILIP WERLEIN,
Vice President for Louisiana.

W. T. ANDERSON,
Vice President for Virginia.